

EXHIBIT “A”

ANNEX D

STATEMENT OF CALCULATION

- 1) On or about, September 14, 2008, Holdings filed a voluntary petition for Chapter 11 reorganization with the U.S. Bankruptcy Court for the Southern District of New York. As a result of an Event of Default with respect to Party A resulting from the above mentioned filings by Holdings, all derivatives transactions entered into by Party B with Party A were terminated as prescribed by the Agreement. Party B designated October 31, 2008, as the Early Termination Date.
- 2) Party B retained Cain Brothers to schedule a competitive bid process for a new interest rate swap to replace the Terminated Transaction with Party A.
- 3) The method of calculating damages under the Agreement is Second Method, Market Quotation. Thus, the amount payable with respect to the Early Termination Date is equal to the absolute value of (a) the sum of the Settlement Amount and the Unpaid Amounts owing to Party B less (b) the Unpaid Amounts owing to Party A.
- 4) To comply with the requirements of the Agreement, Party B sent bid requests, including the related Confirmation and ISDA documents, along with credit material to the following dealers, each of whom qualified under the definition of "Reference Market-maker" in Section 12 of the Agreement and the terms of Part 1(h) of the Schedule to the Agreement: Bank of America, Citigroup, Deutsche Bank, JPMorgan, Key Bank, Morgan Stanley, and Wells Fargo.
- 5) Seven bids were solicited and two bids were received. On October 31, 2008, Party B received actionable bids from Deutsche Bank and Morgan Stanley for the replacement of the Terminated Transaction. However, Morgan Stanley's bid was disregarded as a quotation as it removed the \$1,000,000 cap on Party B's Credit Support Amount and therefore did not preserve the economics of the Terminated Transaction.
- 6) Because Party B did not receive three qualifying actionable bids for the replacement swap, a Market Quotation could not be determined. Therefore, under Section 12 of the Agreement, the Settlement Amount for the transaction is Party B's Loss, that is, the amount Party B determines in good faith to be its total losses and costs in connection with the termination, including the cost of reestablishing any hedge. Party B may determine its Loss by reference to quotations from one or more dealers.
- 7) Please see below for a summary of the one qualifying actionable quotation Party B received along with the accrued interest through October 31, 2008, the Early Termination Date.

Deutsche Bank Bid (Payable to Party B)	\$(103,000.00)
Plus: Accrued Interest:	(11,433.80)
Total:	\$(114,433.80)

- 8) Party B declares the amount of the Deutsche Bank response to be a fair reflection of market value on the Early Termination Date. Accordingly, in accordance with the terms of the Agreement, Party B has calculated the Loss (without reference to Unpaid Amounts) to be \$(114,433.80).
- 9) Pursuant to Section 2(a)(iii) of the Agreement, Party B withheld its October 3, 2008 payment amount of \$18,880.07. This amount equals an Unpaid Amount to Party A.

- 10) The Payment on Early Termination payable by Party B to Party A is \$133,313.87 calculated as:

Loss Amount	\$(114,433.80)
Plus: Unpaid Amount owing to Party B	0.00
Less: Unpaid Amount owing to Party A	<u>18,880.07</u>
Payment on Early Termination	\$(133,313.87)

- 11) Pursuant to Sections 6(e) and 9 of the Agreement, Party B estimates that its legal fees incurred by reason of the Event of Default and termination of the Transaction ("Reimbursable Expenses") will be \$5,000.00. The Net Amount Payable is therefore \$128,313.87, calculated as:

Payment on Early Termination	\$133,313.87
Less: Reimbursable Expenses	<u>5,000.00</u>
Net Amount Payable:	\$128,313.87

- 12) Pursuant to Section 6(d)(ii) the Net Amount Payable, together with interest thereon from (and including) the Early Termination Date to (but excluding) the date such amount is paid, is due on the effective date of this notice. Such interest amount is calculated at the Default Rate, which is defined as USD LIBOR-BBA (with a Designated Maturity of one month) plus 1.00%. Such interest will be calculated on the basis of daily compounding and the actual number of days elapsed. In accordance with these provisions, and based on a payment date of November 7, 2008, Party B has calculated the total Balance Owing payable by Party B to Party A, including interest, as \$128,394.53.

Date	Beginning Balance	Default Rate	Ending Balance
10/31/2008	\$128,313.87	3.58125%	\$128,326.43
11/1/2008	\$128,326.43	3.58125%	\$128,338.98
11/2/2008	\$128,338.98	3.58125%	\$128,351.54
11/3/2008	\$128,351.54	3.35750%	\$128,363.31
11/4/2008	\$128,363.31	3.17750%	\$128,374.46
11/5/2008	\$128,374.46	2.95625%	\$128,384.83
11/6/2008	\$128,384.83	2.76750%	\$128,394.53

- 13) As of the date of this notice, Party A had failed to transfer the following Posted Collateral and Interest Amount to Party B as prescribed under Paragraph 8(b)(iii) of the Agreement (the "Collateral"):

CUSIP	Description	Coupon	Maturity Date	Quantity	Principal Value	Accrued Interest	Cash Equivalent Value
912810DX3	US Treasury	7.500%	11/15/2016	50,000	\$60,720.42	\$1,752.72	\$62,473.14
9128276J6	US Treasury	5.750%	8/15/2010	50,000	53,867.33	625.00	54,492.33
9128276T4	US Treasury	5.000%	2/15/2011	50,000	54,078.21	543.48	54,621.69
9128277L0	US Treasury	4.875%	2/15/2012	20,000	21,915.72	211.96	22,127.68
912828BH2	US Treasury	4.250%	8/15/2013	35,000	37,510.18	323.37	37,833.55
9128275G3	US Treasury	5.500%	5/15/2009	130,000	132,965.34	3,341.85	136,307.19
	US Dollars			268,782	268,782.00	396.53	269,178.53
Total					\$629,839.20	\$7,194.91	\$637,034.11

- 14) Pursuant to Paragraph 8(b)(iv)(A) of Exhibit G of the Schedule of the Agreement, Party B hereby elects to set-off the Balance Owing against the Collateral resulting in a Net Balance Owing of \$0.00 and a remaining Collateral amount of \$508,649.28 (the "Remaining Collateral"), calculated as:

Collateral	\$637,034.11
Less: Balance Owing to Party A	<u>128,394.53</u>
Remaining Collateral:	\$508,639.58

- 15) The Remaining Collateral is hereby identified as follows:

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912828BH2	US Treasury	4.250%	8/15/2013	35,000	37,510.18	323.37	37,833.55
9128275G3	US Treasury	5.500%	5/15/2009	130,000	132,965.34	3,341.85	136,307.19
	US Dollars			140,784	140,784.00	0.00	140,784.00
Total					\$501,841.20	\$6,798.38	\$508,639.58